

(Washington, DC)— {The United States House of Representatives today passed H.R. 1327, the Iran Sanctions Enabling Act of 2009, of which Congresswoman Gwen Moore (D-Wisc.) is a cosponsor. The bill gives federal authority to state and local governments that want to divest their public pension funds from foreign companies with more than \$20 million invested in Iran's energy sector. The bill also removes legal barriers that would prevent mutual fund and corporate pension fund managers from cutting ties with these companies.

The legislation would build upon current U.S. laws that already prohibit companies based in the United States from doing business with Iran. Many states -- including Florida, California, Illinois and New Jersey -- have already enacted Iran divestment laws. Several other states are currently considering this type of legislation. However, some have questioned whether states have the authority to enact such legislation. H.R. 1327 would emphatically make clear that they do.

"This important legislation will give state governments, local governments and fund managers in our country the power divest from companies that financially support Iran, a policy that is consistent with our own national security interests," Congresswoman Moore said. "It strives to smartly apply pressure on companies that continue to do business with Iran using the dollars of American investors and gives them a clear choice: Stop doing business with an Iranian regime whose recent actions have raised great concern amongst the international community, or risk losing American investment dollars.

In addition to allowing state and local governments to divest their assets from any company that invests \$20 million or more in Iran's energy sector, this legislation would provide the same authority in the cases of companies that provide oil or liquefied natural gas tankers or products used to construct or maintain oil or natural gas pipelines in Iran, or extends \$20 million or more in credit to be used for investment in Iran's energy sector.

Lawmakers have become increasingly concerned about Iran's expanding nuclear enrichment program and its unwillingness to allow inspectors access to certain facilities. This concern was heightened in September, when the Obama administration revealed a secret Iranian nuclear enrichment plant.

The legislation includes a sunset provision that would terminate the Iran Sanctions Enabling Act

30 days after the President determines and certifies to Congress that Iran is no longer supporting terrorism and is no longer designated by the U.S. as a state sponsor of terrorism, or has stopped its pursuit of nuclear, biological and chemical weapons.

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